

SUBCONTRACT PRICING PROPOSAL (1-98)		NAME OF OFFEROR		SOLICITATION, SUBCONTRACT, MOD. NO.		LINE ITEM NO.	PAGE OF
See instructions and footnotes on reverse side. If space is insufficient, attach continuation sheets and follow same format.							
1. DIRECT MATERIAL - DESCRIPTION ¹		QUANTITY X	UNIT PRICE	= EST. COST	TOTAL EST. COST	REFERENCE	
TOTAL DIRECT MATERIAL FROM ATTACHED CONTINUATION SHEETS							
TOTAL DIRECT MATERIAL							
2. MATERIAL OVERHEAD (RATE _____ % X BASE =)							
3. DIRECT LABOR (Specify Category) ²		EST. HRS X	RATE/HR =	EST. COST			
TOTAL DIRECT LABOR FROM ATTACHED CONTINUATION SHEETS							
TOTAL DIRECT LABOR							
4. LABOR OVERHEAD (Specify Department or Cost Center) ³		O.H. RATE	X BASE =	EST. COST			
TOTAL LABOR OVERHEAD							
5. TRAVEL (If Charged Direct)	DESTINATION	NO TRIPS X	NO. PERSONS	X FARE =			
TOTAL DIRECT TRAVEL FROM ATTACHED CONTINUATION SHEETS							
6. SUBSISTENCE (If Charged Direct)	LOCATION	AVG. STAY X	NO. PERSONS	X RATE =			
TOTAL DIRECT SUBSISTENCE FROM ATTACHED CONTINUATION SHEETS							
7. OTHER DIRECT COSTS (Itemize) ⁴							
TOTAL OTHER DIRECT COSTS FROM ATTACHED CONTINUATION SHEETS							
8. TOTAL DIRECT COSTS AND OVERHEAD							
9. GENERAL AND ADMINISTRATIVE EXPENSE (Rate _____ % of Cost Element Nos. _____)							
10. ROYALTIES ⁵							
11. TOTAL ESTIMATED COST							
12. FEE OR PROFIT							
13. FACILITIES CAPITAL COST OF MONEY ⁶							

INSTRUCTIONS FOR SUBMISSION OF A SUBCONTRACT PRICING PROPOSAL

1. This form provides a vehicle for the offeror to submit a pricing proposal of estimated and/or incurred costs by subcontract line item with supporting information adequately cross-referenced, suitable for detailed analysis. Supporting breakdowns must be furnished for each cost element, consistent with offeror's cost accounting system. When more than one subcontract line item is proposed, summary total amounts covering all line items must be furnished for each cost element. If agreement has been reached with Government representatives on use of forward pricing rates/factors, identify the agreement, include a copy, and describe its nature.
2. As part of the specific information required, the offeror must submit with offeror's proposal, and clearly identify as such, cost or pricing data (that is, data that are verifiable and factual and otherwise as defined at FAR 15.401). In addition, submit with offeror's proposal any information reasonably required to explain offeror's estimating process, including —
 - a. The judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting from known data; and
 - b. The nature and amount of any contingencies included in the proposed price.
3. Whenever the offeror has incurred costs for work performed before submission of proposal, those costs must be identified in the offeror's cost/price proposal.
4. There is a clear distinction between submitting cost or pricing data and merely making available books, records, and other documents without identification. The requirement for submission of cost or pricing data is met when all accurate cost or pricing data reasonably available to the offeror have been submitted, either actually or by specific identification, to the Company or an authorized representative. As later information comes into the offeror's possession, it should be promptly submitted to the Company in a manner that clearly shows how the information relates to the offeror's price proposal. The requirement for submission of cost or pricing data continues up to the time of final agreement on price, or an earlier date agreed upon between the parties if applicable.
5. In submitting offeror's proposal, offeror must include an index, appropriately referenced, of all the cost or pricing data and information accompanying or identified in the proposal. In addition, any future additions and/or revisions, up to the date of agreement on price or an earlier date agreed upon by the parties, must be annotated on a supplemental index.
6. By submitting offeror's proposal, the offeror, if selected for negotiation, grants the Company and Government or authorized representatives the right to examine, at any time before award, those books, records, documents, and other types of factual information, regardless of form or whether such supporting information is specifically referenced or included in the proposal as the basis for pricing, that will permit an adequate evaluation of the proposed price.
7. As soon as practicable after final agreement on price, but before the award resulting from the proposal, the offeror shall, under the conditions stated in FAR 15.406-2, submit a Certificate of Current Cost or Pricing Data.

FOOTNOTES

1. **MATERIALS AND SERVICES** - Provide a consolidated priced summary of individual material quantities included in the various tasks, orders, or subcontract line items being proposed and the basis for pricing (vendor quotes, invoice prices, etc.). Include raw materials, parts, components, assemblies, and services to be produced or performed by others. For all items proposed, identify the item and show the source, quantity, and price. Conduct price analyses of all lower-tier subcontractor proposals. Conduct cost analyses for all lower-tier subcontracts when cost or pricing data are submitted by the lower-tier subcontractor. Include these analyses as part of your own cost or pricing data as part of your own cost or pricing data submission for lower-tier subcontracts expected to exceed the appropriate threshold in FAR 15.403-4. Submit the lower-tier subcontractor cost or pricing data as part of your own cost or pricing data as required in paragraph (2) below. These requirements also apply to all subcontractors if required to submit cost or pricing data.
 - (1) Adequate Price Competition. Provide data showing the degree of competition and the basis for establishing the source and reasonableness of price for those acquisitions (such as subcontracts, purchase orders, material order, etc.) exceeding, or expected to exceed, the appropriate threshold set forth at FAR 15.403-4 priced on the basis of adequate price competition. For interorganizational transfers priced at other than the cost of comparable competitive commercial work of the division, subsidiary, or affiliate of the subcontractor, explain the pricing method (see FAR 31.205-26(e)).
 - (2) All Other. Obtain cost or pricing data from prospective sources for those acquisitions (such as subcontracts, purchase orders, material order, etc.) exceeding the threshold set forth in FAR 15.403-4 and not otherwise exempt, in accordance with FAR 15.403-1(b) (i.e., adequate price competition, commercial items, prices set by law or regulation or waiver). Also provide data showing the basis for establishing source and reasonableness of price. In addition, provide a summary of your cost analysis and a copy of cost or pricing data submitted by the prospective source in support of each lower-tier subcontract, or purchase order that is the lower of either \$10,000,000 or more, or both more than the pertinent cost or pricing data threshold and more than 10 percent of the offeror's proposed price. The Company may require you to submit cost or pricing data in support of proposals in lower amounts. Subcontractor cost or pricing data must be accurate, complete, and current as of the date of final price agreement, or an earlier date agreed upon by the parties, given on the offeror's Certificate of Current Cost or Pricing Data. The offeror is responsible for updating a prospective lower-tier subcontractor's data. For standard commercial items fabricated by the offeror that are generally stocked in inventory, provide a separate cost breakdown, if priced based on cost. For interorganizational transfers priced at cost, provide a separate breakdown of cost elements. Analyze the cost or pricing data and submit the results of your analysis of the prospective source's proposal. When submission of a prospective source's cost or pricing data is required as described in this paragraph, it must be included along with your own cost or pricing data submission, as part of your own cost or pricing data. You must also submit any other cost or pricing data obtained from a lower-tier subcontractor, either actually or by specific identification, along with the results of any analysis performed on that data.
2. **DIRECT LABOR** - Provide a time-phased (e.g., monthly, quarterly, etc.) breakdown of labor hours, rates, and cost by appropriate category, and furnish basis for estimates.
3. **INDIRECT COSTS** - Indicate how offeror has computed and applied offeror's indirect costs, including cost breakdowns. Show trends and budgetary data, to provide a basis for evaluating the reasonableness of proposed rates. Indicate the rates used and provide an appropriate explanation.
4. **OTHER COSTS** - List all other costs not otherwise included in the categories described above (e.g., special tooling, travel, computer and consultant services, preservation, packaging and packing, spoilage and rework, and Federal excise tax on finished articles) and provide basis for pricing.
5. **ROYALTIES** - If more than \$1500, provide the following information on a separate page for each separate royalty or license fee: name and address of licensor; date of license agreement; patent numbers, patent application serial numbers, or other basis on which royalty is payable; brief description (including any part or model numbers of each subcontract item or component on which the royalty is payable); percentage or dollar rate of royalty per unit; unit price of subcontract item; number of units; and total dollar amount of royalties. In addition, if specifically requested by the Company, provide a copy of the current license agreement and identification of applicable claims of specific patents (see FAR 27.204 and 31.205-37).
6. **FACILITIES CAPITAL COST OF MONEY** - When the offeror elects to claim facilities capital cost of money as an allowable cost, the offeror must submit Form CASB-CMF and show the calculation of the proposed amount (see FAR 31.205-10)